National Rural Employment Guarantee Act provides for the Panchayats to be the "principal authorities" for the planning and implementation, of schemes under the Act. Steps are also being taken to fill in critical gaps in infrastructure and capacity so that Panchayats can effectively fulfill their constitutional role.

Grants to Panchayats

1829. SHRI RAMA MUNI REDDY SIRIGREDDY: SHRI K. RAMA MOHANA RAO:

Will the Minister of PANCHAYATI RAJ be pleased to state:

(a) whether it is a fact that the 12th Finance Commission has recommended and released some grants to States;

(b) if so, whether it is a fact that no grants have been released to Panchayats and Municipalities in the State of Andhra Pradesh whereas the funds have been released to States such as Bihar, West Bengal, Madhya Pradesh, Rajasthan, Chhattisgarh, etc.;

(c) if so, the reasons for not releasing the funds to the Panchayats and Municipalities in Andhra Pradesh; and

(d) the total amount recommended by the 12th Finance Commission for Panchayats for the period 2005-10?

THE MINISTER OF PANCHAYATI RAJ (SHRI MANI SHANKAR AIYAR): (a) Yes, sir. The 12th Finance Commission's mandate was to recommend the measures needed to augment the Consolidated Fund of a State to supplement the resources of the Panchayats and the municipalities in the State on the basis of the recommendations made by the Finance Commission of the State.

(b) to (d) The 12th Finance Commission has recommended a sum of Rs. 25,000 crore for the period 2005-10 as grants-in-aid to augment the Consolidated Fund of States to supplement the resources of the Municipalities and the Panchayats.

A total grant of Rs. 20,000 crore for the Panchayati Raj Institutions and Rs. 5,000 crore for the urban local bodies have been allocated to the States for the period 2005-10. These grants are released subject to the submission/fulfillment of the information/conditions laid in the guidelines issued by the Ministry of Finance.

In the case of Andhra Pradesh, the Twelfth Finance Commission (TFC) had recommended a 'local bodies' grant of Rs. 1961.00 crore for the period 2005-10, out of which Rs. 1587.00 crore was for Panchayati Raj Institutions and Rs. 374.40 crore for the Municipalities. The allocation for the year 2005-06 is Rs. 317.40 for Panchayati Raj Institutions and Rs. 74.80 crore for Municipalities. So far, the Government of India has released the first Instalment of both PRIs and ULB grants for 2005-06 to Andhra Pradesh, amounting to Rs. 158.70 crore and Rs. 37.40 crore on 9.12.2005 and 28.12.2005 respectively, on receipt of information as laid down in the guidelines. No communication regarding the release of 2nd installment for 2005-06 has been received from Govt. of Andhra Pradesh. The second instalment will be released to the State Govt. on fulfilment of the conditions indicated in the guidelines. The status State-wise of allocations and releases of 12th Finance Commission grants is annexed as per enclosed Statement.

Statement

State-wise allocation of grants for Panchayats and Municipalities (2005-10) and releases made so far are given below—

Sl. No.	State	Panchayats Allocation of PRI grants recommended by TFC for 2005-10.	Released to States (as on 28.2.06)	Municipalities Allocation of ULB grants recommended by TFC for 2005-10	Released to States (as on 28.2.2006)
1.	Andhra Pradesh	1587.00	158.70	374.00	37.40
2.	Arunachal Pradesh	68.00	0.00	3.00	0.00
3.	Assam	526.00	52.60	55.00	5.50
4.	Bihar	1624.00	162.40	142.00	14.20
5.	Chhattisgarh	615.00	123.00	88.00	7.45
6.	Goa	18.00	1.80	12.00	0.00
7.	Gujarat	931.00	93.10	414.00	82.80
8.	Haryana	388.00	77.60	91.00	18.20
9.	Himachal Pradesh	147.00	14.70	8.00	0.80

Sl. No.	State	Panchayats Allocation of PRI grants recommended byTFCfor 2005-10.	Released to States (as on 28.2.06)	Municipalities Allocation of ULB grants recommended by TFC for 2005-10	Released, to States (as on 28.2.2006)
10.	Jammu & Kashmir	281.00	0.00	38.00	3.80
11.	Jharkhand	482.00	0.00	98.00	0.00
12.	Karnataka	888.00	88.80	323.00	32.30
13.	Kerala	985.00	197.00	149.00	29.80
14.	Madhya Pradesh	1663.00	332.60	361.00	36.10
15.	Maharashtra	1983.00	198.30	791.00	0.00
16.	Manipur	46.00	0.00	9.00	0.00
17.	Meghalaya	50.00	0.00	8.00	0.00
18.	Mizoram	20.00	0.00	10.00	0.00
19.	Nagaland	40.00	4.00	6.00	0.60
20.	Orissa	803.00	80.30	104 00	10.40
21.	Punjab	32400	32.40	171.00	17.10
22.	Rajasthan	1230.00	123.00	220.00	22.00
23.	Sikkim	13.00	0.00	1.00	0.00
24.	Tamil Nadu	870.00	87.00	572.00	57.20
25.	Tripura	57.00	0.00	8.00	0.00
26.	Uttar Pradesh	2928.00	292.80	517.00	51.70
27.	Uttaranchal	162.00	16.20	34.00	3.40
28.	West Bengal	1271.00	127.10	393.00	39.30
	Total	20000.00	2263.40	5000.00	470.05

Rural business hub scheme

1830. SHRI P.K. MAHESHWARI: Will the Minister of PANCHAYATI RAJ be pleased to state:

(a) whether Government propose to start 'Rural Business Hub Scheme' in the Panchayats of the country;